
California's SCHIP Program: The Healthy Families Program

Handouts for
July 27, 2007 presentation to
National Health Policy Forum

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California's Healthy Families Program (HFP)

- History: opened July 1998
- Serves children under age 19 up to 250% FPL and pregnant women up to 300% FPL
- Structure:
 - Separate program above Medicaid ("Medi-Cal" in California)
 - Private vendor determines eligibility, processes payment and enrolls children
 - 24 commercial health plans (HMOs, PPOs, EPOS) and public plans, 6 dental and 3 vision plans
 - In 4 large counties, members choose among up to 7 health plans
 - In 3 medium size counties, members can choose from 3 or more health plans
 - 99.7% of subscribers have choice between at least 2 health plans
 - Special need and mental health services are provided through counties (separate from HFP)
- Family pays monthly premium, varies by income level, family size
- Children's coverage (health, dental, and vision) cost per child
 - Monthly administrative costs (State Fiscal Year 2007-2008): \$10.94
 - Monthly benefits cost (State Fiscal Year 2007-2008): \$126.53
 - By age: 1 to 19 yrs: \$98.88; 2 months to 1 yr: \$237.14; Birth to 2 months: \$3,104
- Application:
 - Single mail-in application for Medi-Cal and HFP so families may apply for either program at the same time
 - In process of modifying existing electronic application to allow public access

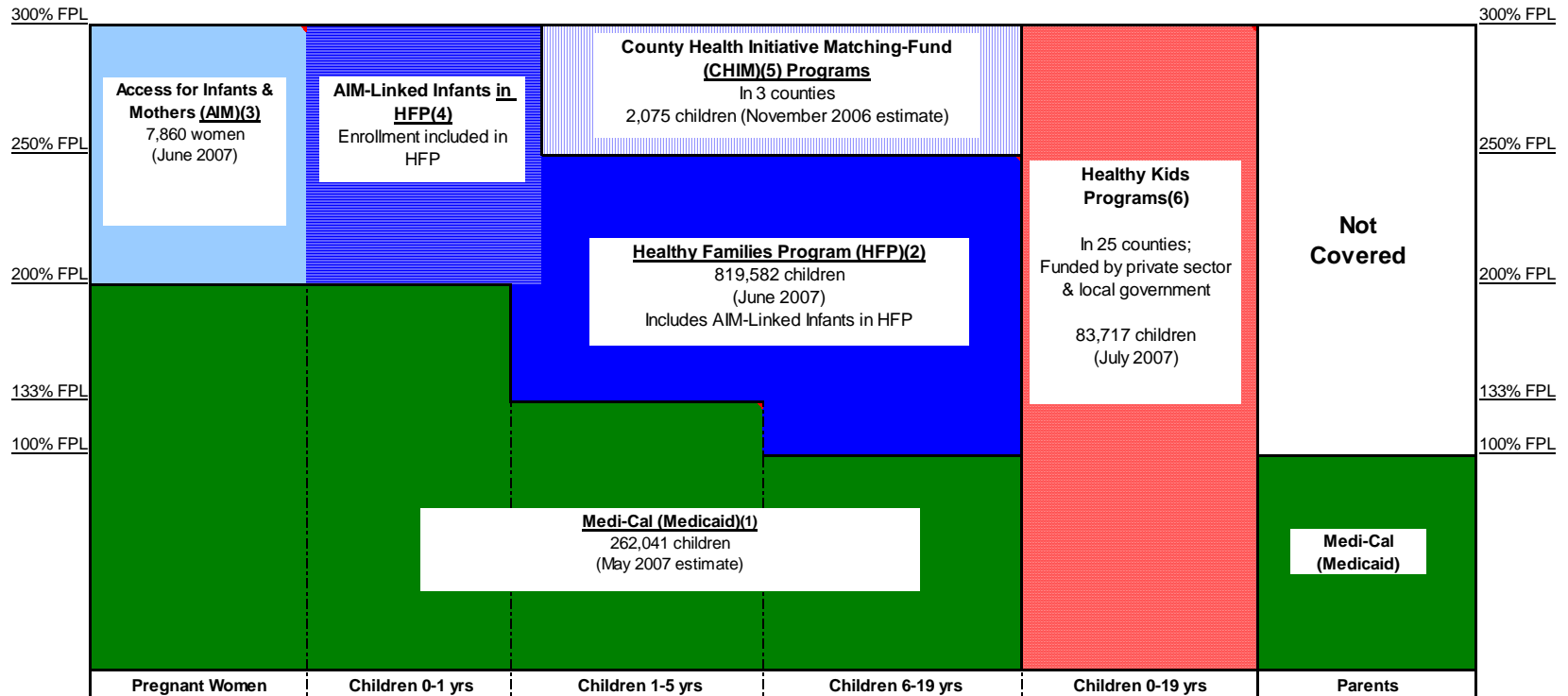
Administrative Vendor Services

- ❑ Private vendor administers program
 - ❑ Vendor paid \$4.10 per member per month or \$49.20 per year
 - ❑ Vendor paid for enrollment, not processing applications, to provide incentive for retention
 - ❑ 98% contractually established performance requirements with financial penalties (highest standard nationally in Medicaid and SCHIP) for time to process applications and for accuracy
 - ❑ Extensive customer service
 - ❑ Call center staff available in 11 languages
 - ❑ Materials produced in 5 languages
 - ❑ Websites in English and Spanish
 - ❑ On-line training for application assistors
 - ❑ Electronic application available to public in 2008
 - ❑ Frequent reminders for families on enrollment and billing

California's Family Health Insurance Programs (July 2007)

BLUE - Over 800,000 children are in State Children Health Insurance Program (SCHIP)-federally funded programs overseen by the California Managed Risk Medical Insurance Board.

GREEN - Over 200,000 children are in SCHIP-funded Medi-Cal (Medicaid) Program, overseen by the California Department of Health Services.



1) Medi-Cal, the State's Medicaid program, receives a 50% federal Title XIX match. In addition, there are programs within Medi-Cal, such as Presumptive Eligibility, funded with Title XXI SCHIP Funds.

2) The Healthy Families Program (HFP) receives a 2 to 1 federal State Children's Health Insurance Program (SCHIP) fund match.

3) AIM program cost for pregnant women is funded with State Proposition 99 funds matched by Federal Title XXI SCHIP Funds as approved in the federal State Plan Amendment, effective July 1, 2004. Title XXI also funds some pregnant women in Medi-Cal.

4) Infants born to AIM moms enrolled on or after July 1, 2004 are automatically enrolled in HFP at birth. Infants born to AIM moms enrolled prior to July 1, 2004 remain in AIM up to age 2. In HFP, the State Plan Amendment to allow MRMIB to claim Title XXI funding for infants between 250% to 300% FPL has been approved by the Federal government.

5) CHIM, created by AB 495 (2001), was approved by the Federal government for SCHIP-eligible children using Title XXI SCHIP funding for operation in the counties of Santa Clara, San Francisco, and San Mateo. Santa Cruz county is awaiting approval of a State Plan Amendment for SCHIP funding.

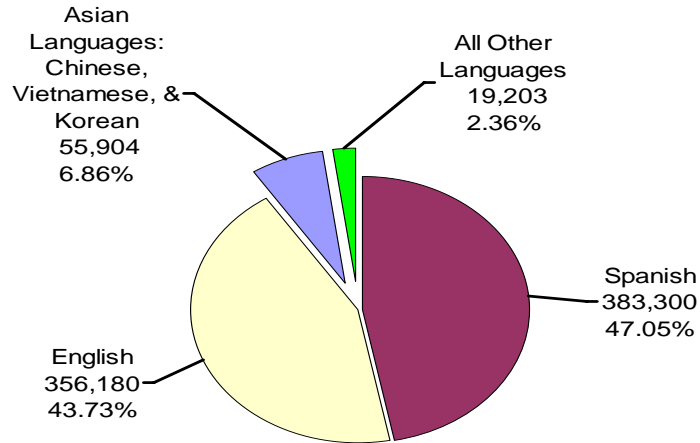
6) The following counties have programs for children ineligible for full-scope Medi-Cal and Healthy Families: Alameda, Santa Clara, San Francisco (0-24 yrs old), Riverside, San Mateo (up to 400% FPL), Los Angeles, San Bernardino, San Joaquin, Santa Cruz, Kern, San Luis Obispo, Santa Barbara, Napa, Solano, Sonoma, Yolo, Fresno, Tulare, Colusa, Sacramento, Yuba, Orange, Merced, Kings and El Dorado.

FPL (Federal Poverty Level) changes annually on April 1st and is based on Federal annual income guidelines which include family size. FPLs change annually on April 1st. The FPLs effective 4/1/07 for 100% FPL is \$13,692 for a family of two persons, \$17,172 for three persons, \$20,652 for four persons, and increases for larger family sizes.

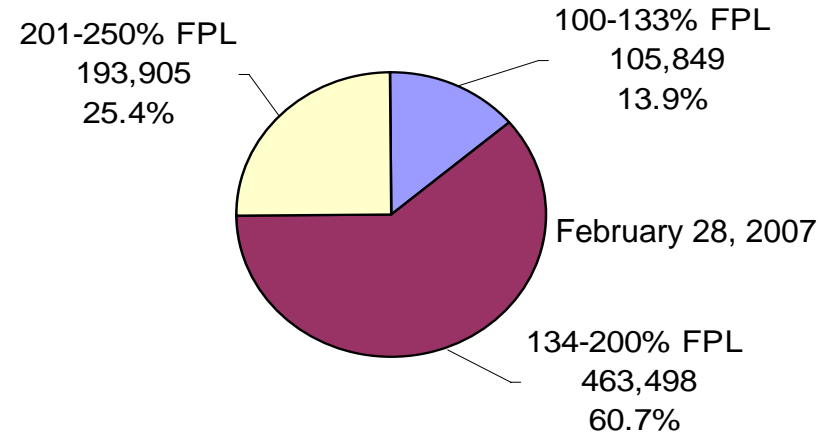
HFP Enrollee Demographics

Spoken Languages

May 31, 2007



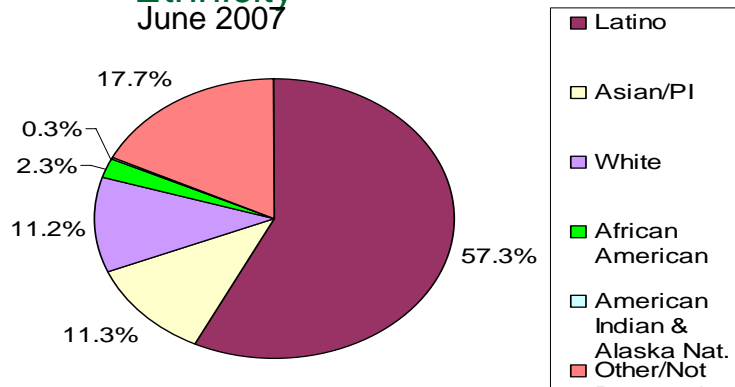
California SCHIP Subscribers' Income Based on Federal Poverty Level (FPL)



Average income: 163% FPL

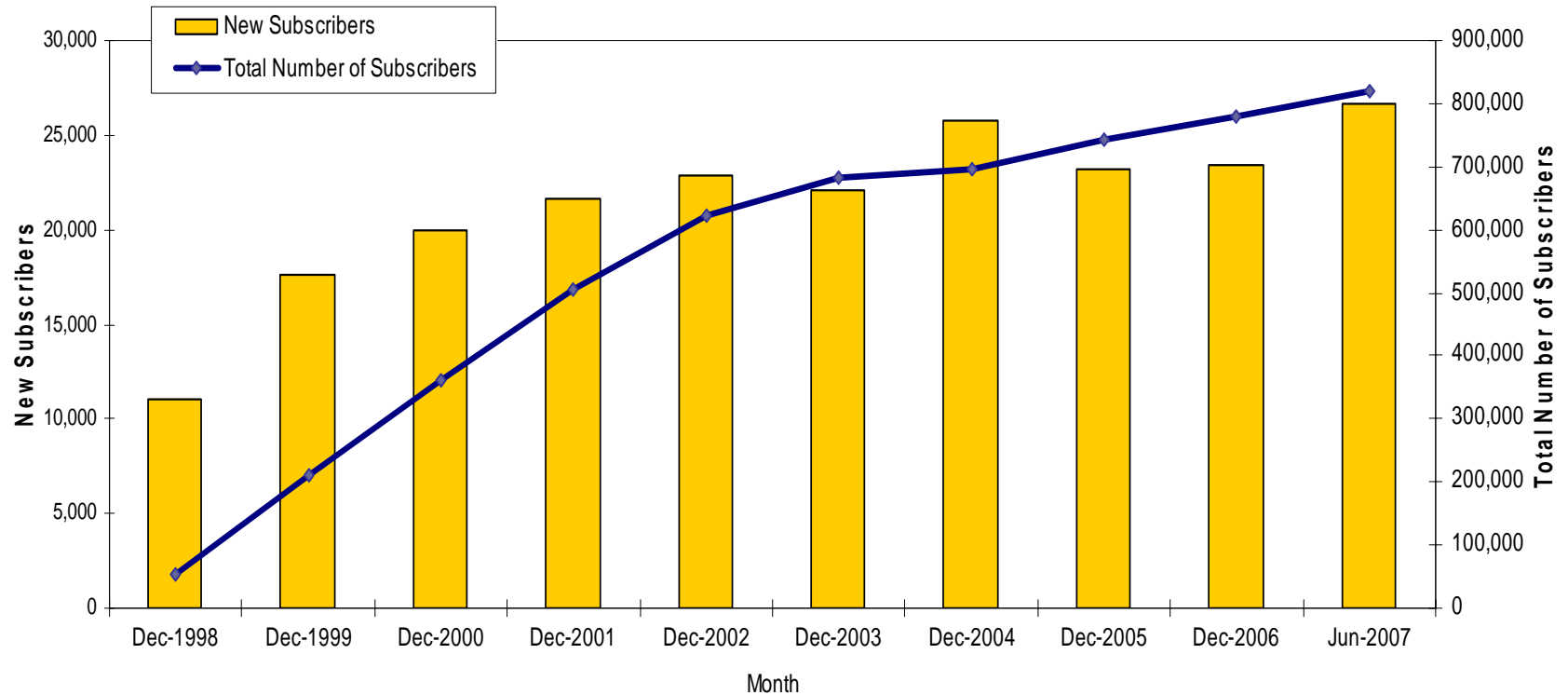
Ethnicity

June 2007



*Data on the language spoken and written are statistically the same.

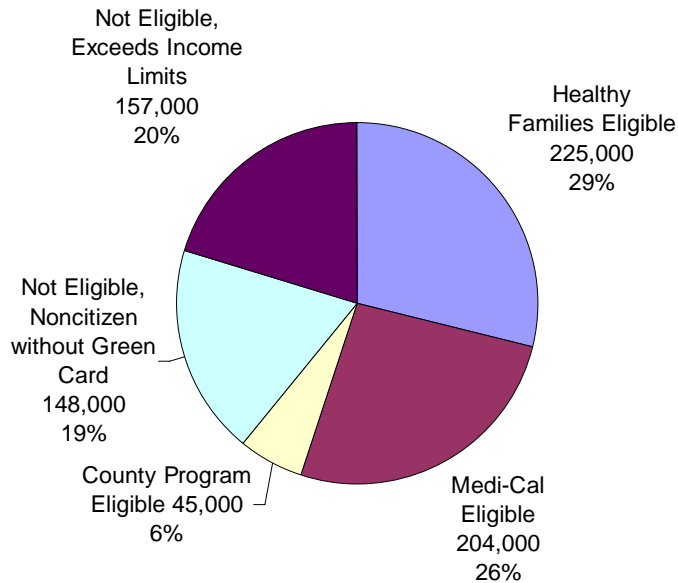
Healthy Families Program
Enrollment History
Enrollment Data through June 2007



Note: "Total" numbers are calculated by accounting for new subscribers and those who dropped coverage.

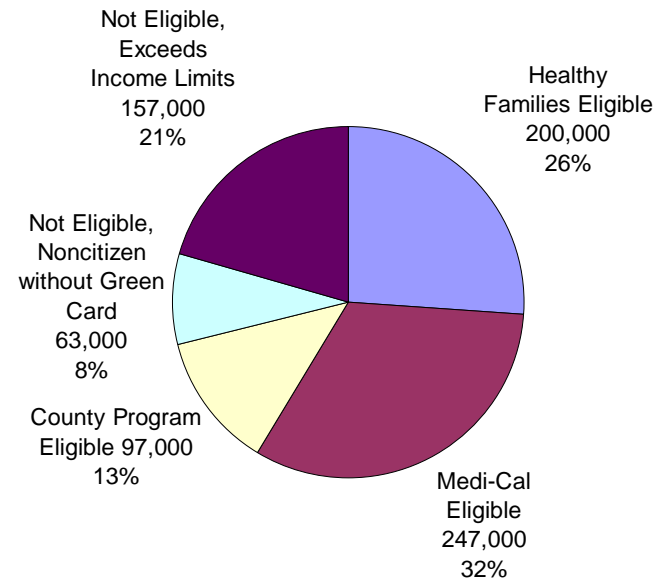
Uninsured Children in California

2003



779,000 Uninsured Children

2005



763,000 Uninsured Children

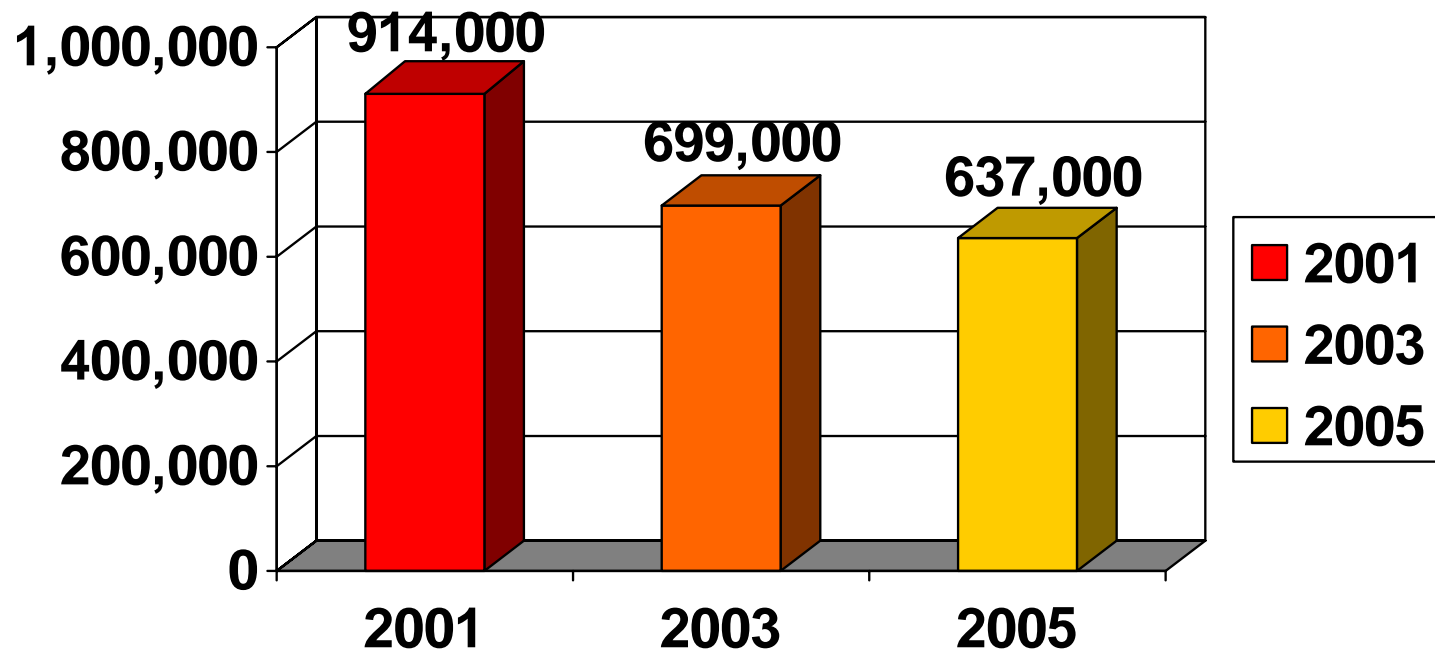
Source: California Health Interview Survey, UCLA

Note: Totals may not equal 100% due to rounding

Uninsured Children in California, 2001-2005

Under age 19 and under 300% federal poverty level

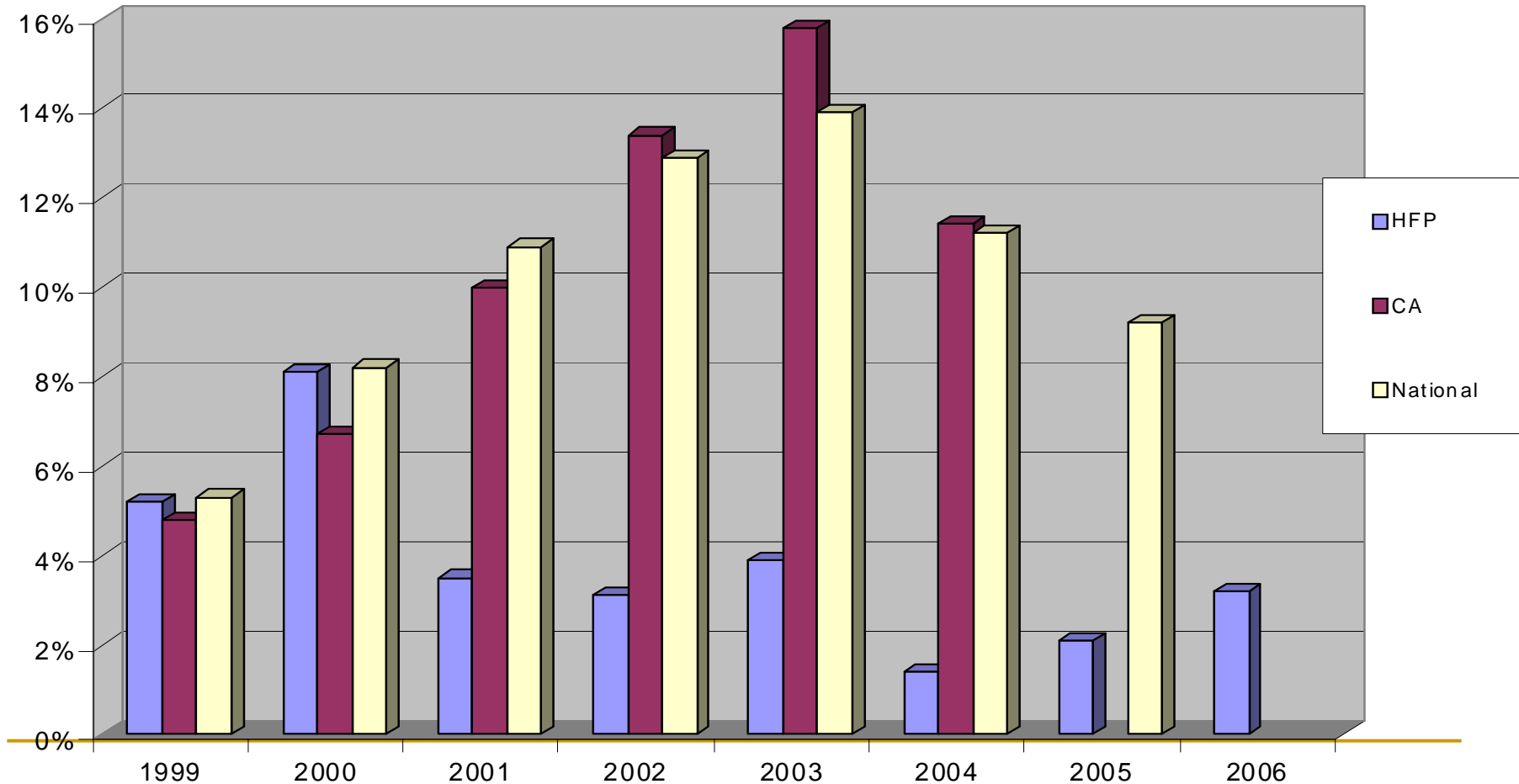
Source: California Health Information Survey, UCLA



Healthy Families Program

Rate negotiation model results in controlled costs

Percent Changes in Per Member Per Month (PMPM) Costs



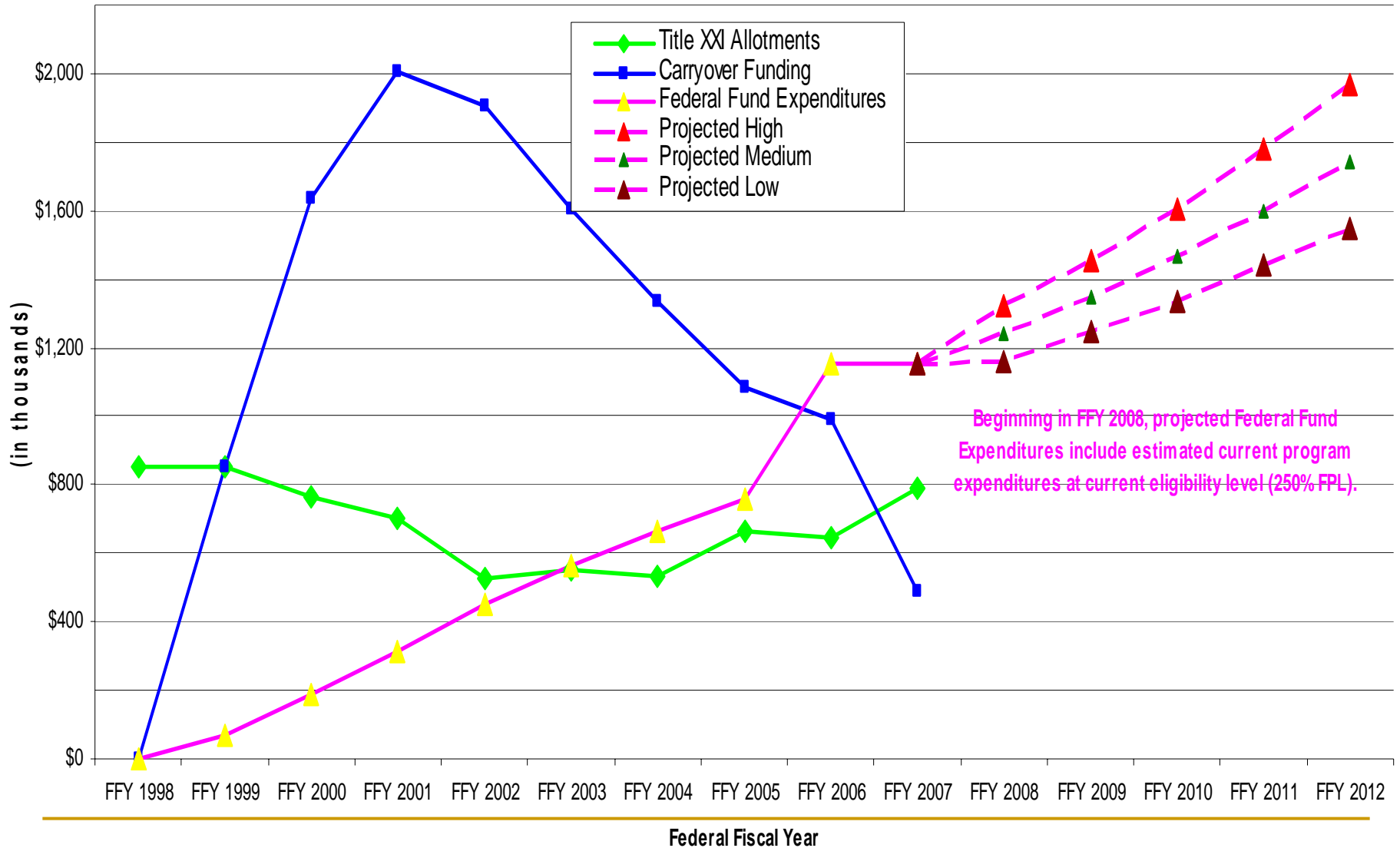
HFP Coverage: Positive Effect on Health Status, 2001- 2003

- A research project examined effect of coverage on health status during (Journal of Pediatrics published in 2006: 149: 354-61)
- Assessed physical and psychosocial health
- Surveyed families in 5 languages:
 - English, Spanish, Vietnamese, Korean, and Chinese
- Showed dramatic, sustained improvements in health status for children in poorest health
 - Significant sustained increases for these children in school performance;
 - Meaningful improvement in health status for the population at large;
 - Increased access to care and reduced foregone health care for children in the poorest health and the population at large, and;
 - Lack of significant variation by race and language in reports of noforegone care—the most significant variable associated with access.

Quality Assessment

- Plans required to submit audited data on HEDIS indicators (health and dental)
 - Have terminated a plan for inadequate performance
- Annual consumer satisfaction survey (health and dental plans)
- Plans required to provide services in language of subscriber and to translate plan materials into 5 languages
 - Also required to periodically review the needs of their HFP population regarding cultural and linguistic services and report progress annually

Comparison of California's SCHIP Allotments, Carryover Funding and Expenditures
 Allotments, Carryover Funding and Expenditures are based on the Federal Fiscal Year
 (October 1st through September 30th)



SCHIP Reauthorization & California's Funding Needs

- California HealthCare Foundation 2007 report shows CA needs:
 - \$6.7 to \$8.1 billion over 5 years vs current \$4 billion level to maintain current eligibility level (250% FPL)
 - State wants to expand to 300% FPL, additional cost of \$100 million per year or \$500 million for 5 years in federal funds

Projected Costs for California's SCHIP-Funded Programs Year-by-Year Federal Costs Based on Current Eligibility Rules (Numbers in Millions, May Not Add Due to Rounding)

Source: "Funding California's SCHIP Coverage: What Will it Cost?"
California HealthCare Foundation; Harbage, Chan and Evans; May 2007

		FFY 08	FFY 09	FFY 10	FFY 11	FFY 12	Total
High	Total	\$ 1,323	\$ 1,457	\$ 1,607	\$ 1,778	\$ 1,965	\$ 8,130
	Over Baseline	\$ 532	\$ 666	\$ 816	\$ 987	\$ 1,174	\$ 4,175
Mid	Total	\$ 1,240	\$ 1,348	\$ 1,467	\$ 1,601	\$ 1,744	\$ 7,399
	Over Baseline	\$ 449	\$ 557	\$ 676	\$ 810	\$ 953	\$ 3,444
Low	Total	\$ 1,159	\$ 1,245	\$ 1,337	\$ 1,439	\$ 1,546	\$ 6,726
	Over Baseline	\$ 368	\$ 454	\$ 546	\$ 648	\$ 755	\$ 2,771